TASICT

Tasmania's Peak Industry Body for the Information, Communication and Technology Sector

12 October 2026

SUBMISSION TO TASMANIAN GOVERNMENT DRAFT EXPECTATIONS FOR DATA CENTRES AND AI INFRASTRUCTURE DEVELOPERS

TasICT Submission

Tasmania's Peak Industry Body for the Information, Communication and Technology Sector

About TasICT

TasICT is the peak body for Tasmania's Information, Communication, and Technology sector. A member-funded non-profit association formed in 1997, our approximately 250 business and individual members are involved in activities across all industry sectors with an industry base of more than 10,800 Tasmanians who work in tech-related fields, not including the creative and games industries. Our membership includes businesses across all sectors that use technology, technology providers, advanced manufacturers, software and solutions developers, hardware and software vendors, suppliers, communication infrastructure companies and individuals working in technology roles.

In addition to providing a vibrant event and activity calendar for our members, TasICT plays a leading advocacy and policy development role. We assist government to understand technology issues and shape ICT policy to take advantage of opportunities provided by technological change.

The priorities of TasICT are to grow the value of the technology sector in the state and promote ICT careers, shape training and skills development, and connect talent with industry work opportunities.

Please direct any inquiries in this submission to:

CONTACT

Russell Kelly, CEO, TasICT [redacted]

About Tasmania's Technology Industry Sector

The technology industry sector in Tasmania is a vital and expanding component of the state's economy, contributing significantly to Tasmania's growth and development.

The 2026 *Digital Pulse* from the Australian Computer Society reports the sector as contributing $1.3 billion value added to the Tasmanian economy. The sector employs more than 10,800 tech workers, expected to grow to around 11,900 by 2035.[1] These jobs span a wide range of roles including networking, programming and software development, systems integration, cybersecurity, project management and innovation development, to name just a few. The diversity of these roles highlights the sector's broad impact on the state's economy and its ability to provide high-quality employment opportunities. Tech jobs are also productive jobs – more than 2.5 times more productive than the average of other Tasmanian jobs. [2]

Technology plays a crucial role in enabling other industries to innovate and improve their efficiency. Advancements in digital technologies have allowed businesses in agriculture, manufacturing, mining, and healthcare among others, to enhance their operations, leading to increased productivity and competitiveness. This interconnectivity means that the benefits of a robust technology sector ripple throughout the entire economy, fostering overall economic resilience and growth.

The sector's impact is felt daily by Tasmanians. From the convenience of online commercial and government services to the efficiency of digital communication tools, technology has become an integral part of everyday life. This influence underscores the sector's role in shaping a modern, connected society.

However, the sector faces challenges to growth: barriers include the need for more skilled professionals, greater access to markets, and the availability of start-up capital.[3] Addressing these challenges through strategic initiatives and investments will be crucial in ensuring the sector's continued expansion and its ability to contribute to the state's economic prosperity.

[1] Australian Computer Society, *Digital Pulse*, 2026.
[2] Skills Tasmania, *ICT Scorecard July 2024* p. 8.
[3] Deloitte, *Tasmanian Tech Sector Scan 2022*, p. 43

TasICT's Strategy: A prosperous, technology confident Tasmania

TasICT's focus is growing Tasmania's technology sector, strengthening the digital workforce pipeline, and building technology capability across all industries.

Advocating for:

- Increased telecommunications capacity, resilience and services both across Bass Strait and throughout Tasmania.
- Digital skills development through the creation of entry-level opportunities for ICT graduates and the upskilling of the existing workforce.
- The safe and responsible adoption of artificial intelligence across government to improve public service efficiency and outcomes.
- Best-practice cyber security adoption and resilience.
- Support for a world-class STEM Precinct at the University of Tasmania at Sandy Bay.

Connecting and educating our community through:

- High-quality technology events that showcase emerging technologies, opportunities and risks.
- Professional development, knowledge sharing and networking opportunities that connect our members with the broader business and government community.

This supports our vision of being the leading advocate and driving force for the ICT sector in Tasmania.

Executive Summary

TasICT supports the draft Expectations. They are clear, proportionate and directed at the right outcomes: enduring benefits for Tasmania, skilled jobs and supply-chain opportunity, early community engagement, a reliable and affordable electricity system, sustainable water use, rigorous assessment and transparent reporting.

TasICT particularly welcomes the requirement that proponents bring on additional renewable energy generation, demonstrate their commitments through recognised certification schemes or commercial arrangements that are independently verifiable, and pay their fair share of network costs and all connection costs. These are material commitments and TasICT supports them.

TasICT's submission is that the Expectations should go one step further in a single respect. The document is a non-statutory statement of policy and, for most benefit outcomes, uses the language of expectation and encouragement. TasICT's adopted policy is that access to electricity, water, land and planning approvals, and any associated concessions, should be provided only to developers who enter into binding agreements that deliver measurable and enforceable long-term benefits for Tasmania, and that those agreements should apply to relevant tenants and remain binding if a project is sold, transferred or restructured.

TasICT's central submission

The outcomes in the draft Expectations are generally to be supported. What is needed is a mechanism that makes the benefit outcomes measurable, enforceable and enduring, and that secures technology businesses, careers and capability in Tasmania rather than infrastructure alone.

Summary of TasICT's response

- TasICT support the seven Expectations and the three guiding principles.
- Environmental sustainability is a fundamental requirement of any development.
- Community benefits should be clear and backed by binding, measurable and enforceable commitments proportionate to project scale.
- The creation of a community development fund is highly desirable for major developments is highly desirable.
- Require commitments to apply to relevant tenants and to survive sale, transfer or restructure.
- Apply a sector-development test so that Tasmania secures technology businesses, operations, careers and capability.
- Facilitate access to advanced computing capability for Tasmanian researchers, students, start-ups, SMEs and public-interest users.

- Treat large AI facilities as energy system participants, with rules for energy use, including curtailing use, settled before capacity is committed.
- Assess the campus, generation, storage and connecting network as one development in substance, with cumulative effects considered.
- Move to annual independent reporting against agreed commitments.

Expectation 1: Maximising benefits to Tasmania

TasICT strongly supports this Expectation. The draft correctly identifies construction and ongoing operational jobs, skills development, local procurement, Tasmanian supply chains and broader digital capability, and asks proponents to be transparent about the jobs a project will actually sustain once construction is complete.

TasICT also supports the commercial contribution and full cost recovery provisions, including that proponents meet the applicable costs of infrastructure and services required to support their projects and protect existing customers from inappropriate cost shifting and stranded asset risk.

TasICT supports the principle that major data centre developments should provide an ongoing and measurable benefit to Tasmania that extends beyond construction and continues throughout the operational life of the project.

> **Consultation focus:** *What practical commitments would best support Tasmanian jobs, skills, local procurement and lasting community benefits?*

TasICT response

Major projects should include clear, measurable and enforceable commitments, proportionate to the scale of the development. TasICT's adopted policy identifies:

- minimum operating employment levels
- local procurement targets
- workforce skills investment
- annual independent reporting of outcomes

Employment claims deserve particular scrutiny. A contracted minimum of operating full-time equivalents, separated from construction roles and audited annually, is a deliverable. Tasmania should require commitments to verifiable employment numbers.

Commitments should apply to relevant tenants and remain binding if a project is sold, transferred or restructured. This matters because the entity operating a facility and the entity controlling the compute may be different parties, and because the benefits sought are long-term while ownership may not be.

On workforce, demand for construction workers, electrical trades, power-systems specialists and network engineers is already strong in Tasmania. TasICT regards this as a reason to invest in apprenticeships, traineeships and the skills pipeline so that Tasmanians are positioned to fill these roles, rather than as a reason to constrain projects. TasICT supports the draft's expectations regarding the University of Tasmania and TasTAFE and its prioritisation of apprentice, trainee and graduate or cadet opportunities.

> **Consultation focus:** *What opportunities could data centre and AI infrastructure investment create for Tasmania's digital ecosystem, research and technology enabled industries?*

TasICT response

TasICT applies a sector-development test. AI data centres are technology developments and should produce benefits for Tasmania's technology sector. If Tasmania hosts the buildings and infrastructure while the businesses, operations and careers are located elsewhere, the development is suboptimal.

The single largest opportunity is access to compute. Where appropriate, agreements should facilitate access to advanced computing capability for researchers, students, start-ups, small and medium enterprises, and public-interest users. If a Tasmanian business or research institution can obtain capacity in a Tasmanian facility, Tasmanian electricity is being converted into Tasmanian capability.

This is consistent with the Australian Government expectation that providers of large-scale compute enable access for Australian start-ups, innovative small businesses, researchers and not-for-profits on favourable terms.

> **TasICT response to Expectation 1**
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> TasICT supports Expectation 1 and suggests the final document make clear that, for major projects, benefits are to be contracted, measurable, enforceable and independently reported, apply to relevant tenants, survive changes of ownership, and include access to advanced computing capability where appropriate.

Expectation 2: Early engagement with community and stakeholders

TasICT supports this Expectation. Responsible development requires meaningful community consultation at project inception and a transparent business case that identifies the benefits, opportunities and risks for Tasmania.

> **Consultation focus:** *What information should proponents provide early, and which stakeholders should be engaged, to inform community understanding and project design?*

TasICT response: timing

Consultation should begin after a business case is completed and a design is proposed seeking public licences for resource use. At that point the community should be asked for input while feedback can still influence the outcome, and proponents should publish what changed as a result. The draft's trigger of engagement before submitting any development application is sound; TasICT's additional point is that engagement should occur at a stage where design can still respond to what is heard.

TasICT response: information to be made available

- The business case and the proposed design, including the resource use for which public licences are sought.
- The benefits, opportunities and risks for Tasmania.
- Forecast electricity demand, expressed as both average draw and short-term variation.
- The source of energy supply, including which generation projects, on what timetable, with what firming.
- Forecast maximum and average annual water demand and how design choices minimise consumption.
- Expected construction employment and expected ongoing operating employment, stated separately.
- The matters that remain open to change as a result of consultation.

TasICT response: stakeholders

Engagement should reflect the full scope of the development in substance. Communities affected by associated generation and transmission infrastructure are entitled to the same early, design-influencing consultation as the community hosting the campus.

The costs and benefits of major developments are distributed unevenly. Economic benefits tend to accrue at the broader state level, while construction disruption, noise, visual amenity effects and pressure on local infrastructure are concentrated in the host community. That asymmetry is a further reason for early and design-influencing consultation.

TasICT supports the draft's inclusion of the Tasmanian Aboriginal community, local councils, community organisations, local supplier networks and industry bodies.

TasICT response to Expectation 2

TasICT supports Expectation 2 and suggests the final document specify the information proponents should provide early, extend engagement to communities affected by associated generation and transmission, and ask proponents to publish what changed as a result of consultation.

Expectation 3: Engagement with Tasmanian Government

TasICT supports engagement through the Office of the Coordinator-General (OCG) and supports the expectation that projects demonstrate commercial viability without reliance on government financial support. TasICT notes that Data Centres Australia members have publicly committed not to seek special subsidies or concessions from the rules that apply to others.

TasICT supports Government securing public-value outcomes from major projects before approvals are granted and ensuring those commitments endure for the life of the development.

Consultation focus: *How can government assist proponents in navigating existing approval, infrastructure and commercial processes?*

TasICT response

The coordination functions described in the draft - identifying suitable sites, facilitating introductions to regulators, infrastructure and utility providers, skills agencies and potential local suppliers, and mapping engagement across approval pathways - are appropriate and useful. TasICT supports the OCG making introductions to potential local suppliers and to industry bodies, which is directly relevant to the supply-chain outcomes sought under Expectation 1.

TasICT's adopted policy also assigns Government two roles beyond project facilitation. First, the Tasmanian Government should ensure that benefits to Tasmanians are negotiated with data centre developers prior to approvals being given. Second, Government should provide community education so that Tasmanians understand the benefits, opportunities and risks of data centres.

The second of these is significant. Understanding of data centre projects is still developing, as the draft acknowledges. Proponent-led engagement is necessary but is not a substitute for independent, accessible public information.

TasICT response to Expectation 3

TasICT supports Expectation 3 and suggests that early engagement through the OCG include identification of the public-value commitments that will apply to a project, and that Government provide community education on the benefits, opportunities and risks of data centres.

Expectation 4: Supporting Tasmania's energy system

TasICT supports this Expectation. The requirement that proponents bring additional renewable energy generation, enter commercial arrangements sufficient to support the development of new wind and solar projects, be transparent about how they source electricity, and demonstrate through recognised certification schemes or commercial arrangements that their commitments are genuine and independently verifiable is a significant and appropriate standard.

Major new AI and data centre loads should contribute to growing Tasmania's electricity supply rather than relying solely on capacity that would otherwise be available to existing Tasmanian consumers and businesses.

TasICT also supports the requirement that proponents pay their fair share of network costs and connection costs, and the expectation that projects be flexible and able to reduce electricity consumption if needed.

Existing Tasmanian electricity customers should not experience increased costs, reduced reliability or reduced access to electricity as a consequence of major data centre developments.

AI data centres are not a conventional electrical load

Electricity reaches the servers through rectifiers, uninterruptible supplies and converters, so behaviour during a system disturbance is determined by control software and protection settings. In practical terms an AI data centre can disconnect very quickly and as a single block.

Demand also follows workload. Training a large language model is not a steady industrial process, and demand across a campus can rise and fall substantially and quickly as jobs start, checkpoint and finish. Customer-facing workloads are far steadier. A single megawatt figure may not describe the load accurately.

A campus is also modular. It is built in halls and released in tranches, so load arrives in steps that can be matched to delivered supply.

Tasmania's temperate climate is a genuine advantage. Most of the connected capacity in a modern AI facility is compute rather than cooling, and cooling overhead is lower in a cool climate, so a Tasmanian megawatt of connection buys more useful computing than the same megawatt in a hot climate. That is also an argument for holding Tasmanian projects to a high efficiency standard.

> **Consultation focus:** *What commercial arrangements, demand-flexibility measures and technologies can support additional energy supply while protecting system security and existing customers?*

TasICT response: sequencing

New load, new generation, storage and network capacity need to be delivered in the right sequence. A data centre hall can be delivered in around two years, while new generation and associated transmission usually take considerably longer. The draft acknowledges this misalignment and asks proponents to demonstrate how renewable energy commitments will be progressively delivered.

TasICT's position is that the potential need for additional electricity should be expressed as a delivery schedule, not as a commitment in principle. Contracted new firm generation or firmed renewables, sized to the load, should be delivered before a site ramps to full capacity, and capacity should be released in tranches against delivered generation. Releasing capacity in tranches matches the way the industry already builds. It means a data centre has maximum energy certainty when it has fully delivered the renewable generation it promised.

Staged release also reduces stranded asset risk, because network and generation investment committed against projects that are subsequently delayed, scaled back or cancelled would otherwise leave Tasmanians carrying the cost of underused infrastructure.

TasICT response: demand flexibility and system security

Data centre load should be planned as a system participant. A facility that can move hundreds of megawatts under its own control affects system security, and can also provide useful services if its behaviour is agreed in advance. The following should be settled before capacity is committed:

- a pre-commitment to good ride-through behaviour
- the size of the block that can be lost at once
- reconnection sequencing
- contracted curtailability

A summary of those outcomes should be published so that Tasmanians know the conditions under which a facility operates. Tasmania already manages existing industrial loads through long-standing contractual load-shedding arrangements.

TasICT supports the draft's treatment of back-up infrastructure as an opportunity rather than only a resilience cost. Battery storage improves a facility's own behaviour during disturbances as well as supporting the wider system.

> **Consultation focus:** *What practical information should proponents provide to support coordinated network and generation planning?*

TasICT response – information made available

- Both average draw and short-term variation, rather than a single megawatt figure. Where a single figure is provided, it should be clear which of the two it is.
- Requested, committed, contracted, operating and unused capacity, should be reported distinctly.
- The generation projects relied upon, their location, delivery timetable and their firming arrangements, so the claim can be checked.
- The staged delivery sequence for load, generation, storage and network capacity.
- Agreed ride-through arrangements, block-loss, reconnection and planned load shedding (curtailability) arrangements, at a level that does not compromise facility security.

TasICT response: capacity discipline

Connection requests should be separated from contracted and operating capacity. Nationally the market operator has counted roughly 66.9 gigawatts of data centre connection requests against about 2.2 gigawatts actually operating, with more than 40 per cent of projects dropping out or regressing in a single year. The risk to Tasmania is not that facilities overwhelm the system, but that capacity is reserved against an announcement, rendered unavailable to other uses while held, and then not used. Held capacity should carry a cost and unused capacity should expire, or the state carries the risk.

TasICT response: transparency of trade-offs

The draft provides that new electricity demand may be supplied from existing generation where there is spare capacity. TasICT suggests that the trade-off be made openly. Every megawatt allocated from existing supply is a megawatt unavailable to another Tasmanian user. TasICT does not ask Government to prefer data centres to existing industry, or existing industry to data centres. TasICT asks that the choice be recognised and made transparent and public.

Tasmania should also recognise concentration risk, in that a system relying heavily on a small number of very large customers drawn from a single industry carries a different risk profile to a more diversified load base.

TasICT response to Expectation 4

TasICT supports Expectation 4 and suggests the final document express requests for additional load be identified as a delivery schedule with capacity released in tranches against delivered generation, settle system-participant behaviour before capacity is committed, require both average and variable demand data, separate requested from contracted and operating capacity, and make the allocation of existing supply transparent.

Expectation 5: Sustainable water usage

TasICT supports this Expectation. Protecting a sustainable, natural and healthy water supply is a crucial condition of development. Water sustains the natural environment, Tasmanian people and industries, and TasICT supports the requirements that proponents minimise water use, engage early with water suppliers, meet all applicable infrastructure and connection costs, avoid adverse effects on existing water users and consider catchment capacity.

TasICT supports the requirement for project-specific forecasts of maximum and average annual water demand.

Consultation focus: *What technologies, siting practices and commercial arrangements can minimise water use and protect existing users and water security?*

TasICT response

TasICT's adopted policy makes access to water approvals conditional on responsible development and binding public value.

TasICT notes for the Government's consideration that the Australian Government expectations additionally address efficient cooling technologies, non-potable water, circular water opportunities, resilience to water disruption, drought and climate change, and ongoing transparent reporting of water usage and efficiency. Data Centres Australia members have committed to minimise consumption through efficient design and cooling, including cooling systems that use little or no water where they suit the site and operating conditions, to prioritise recycled and non-potable sources over drinking water where available, and to measure and report water performance using recognised metrics.

The draft's water security provision addresses operational resilience during periods of low rainfall. TasICT supports this and observes that the Australian expectations frame the same issue more broadly as resilience to water disruptions, drought and climate change.

TasICT response to Expectation 5

TasICT supports Expectation 5 and its protections for existing water users and catchment capacity and sustainability and notes the broader national and industry commitments for the Government's consideration.

Expectation 6: Approval pathways

TasICT supports continued assessment through Tasmania's existing Resource Management and Planning System. TasICT does not propose a new or separate approval pathway, and supports the draft's statement that statutory public notification, exhibition and representation requirements apply where triggered, and that proponents of significant projects should proactively engage even where formal statutory advertising is not required.

TasICT supports the expectation that projects be located in areas that maximise economic and system benefits while minimising impacts on communities, infrastructure and the environment, and that locating within established industrial precincts or near available energy, water and telecommunications capacity may reduce project complexity.

TasICT supports coordinated digital and data infrastructure precincts where they improve infrastructure planning, support efficient service delivery and minimise impacts on communities and the environment.

Consultation focus: *How can proponents and government improve early coordination and provide clearer information within existing approval pathways?*

TasICT response: integrated assessment

Approvals for large-load data centres should be holistic. A campus, the generation that supplies it, the storage that firms it and the network infrastructure that connects it are to be viewed as one development in substance. They should be assessed as one, not as a sequence of unrelated applications.

Cumulative effects must be assessed. Approvals given component by component, and site by site, can over-commit Tasmania to unsustainable development. Planning approvals, generation draw and transmission costs are assessed today by different regulators and approval authorities, under different instruments, at different times, which risks ignoring the cumulative effects of development.

Where the evidence is genuinely uncertain, a precautionary approach should apply. AI data centres are a new industry with fast-moving technology and business models. The consequence of over-committing as a State is

borne by the public system, so the burden of demonstrating that a step is safe should sit with the proponent, and commitments should be staged rather than granted whole so that risk can be effectively managed.

TasICT response: siting

TasICT suggests the following siting factors, which apply to the whole development rather than the facility alone:

- Prefer land that has already been disturbed: industrial and post-industrial land, existing energy precincts, cleared agricultural land and sites adjacent to existing works.
- Follow existing corridors and identified renewable energy zones, siting generation where transmission already exists or is already planned and assessed.
- Assess the whole chain - generation, storage, transmission and the load itself - against cumulative effects on biodiversity, landscape, water, Aboriginal heritage and community amenity.
- Fully exhaust behind-the-meter and on-site options first, including rooftop and adjacent solar, batteries beside or behind the meter, and heat reuse where practical.
- Consult on the generation as early as on the facility.
- Publish the supply chain, identifying which generation projects, on what timetable, with what firming.

Where TasICT supports investment of this kind, the proponent should identify the source of the energy supply and demonstrate that the associated generation and transmission are environmentally and economically sustainable.

> **Consultation focus:** *What project information would best support meaningful early community engagement?*

TasICT response

TasICT refers to its response under Expectation 2. In summary: the business case and proposed design, the resource use for which public licences are sought, the benefits, opportunities and risks for Tasmania, forecast electricity and water demand, the energy supply chain and its timetable, construction and ongoing operating employment stated separately, and the matters that remain open to change.

TasICT response: precinct planning

TasICT has received member input supporting consideration of planned data centre or digital-infrastructure precincts, under which land use, electricity supply, transmission capacity, fibre connectivity, water, environmental requirements and planning rules could be considered in a coordinated way before individual projects advance. Requiring AI data centres to be in precincts offers a constructive path forward and should not be used to reduce environmental, planning or community standards.

TasICT response to Expectation 6

TasICT does not propose replacing existing approval pathways. TasICT recommends that coordination within those pathways treat the campus and its enabling energy infrastructure as an integrated whole, provide a clear view of cumulative effects, and apply sustainability to the generation and transmission a project relies upon.

Expectation 7: Transparency and reporting

TasICT supports this Expectation. Given that data centres and AI infrastructure are a relatively new industry in Tasmania, proactive disclosure and reporting help build community understanding and confidence.

TasICT supports annual public reporting of energy and water use and considers independent verification of major-project reporting to be best practice.

TasICT notes that Data Centres Australia will publish an annual aggregate update on sector progress, with members reporting through channels appropriate to their business, scale and regulatory obligations. TasICT welcomes that commitment.

Consultation focus: *Noting commercial confidentiality, privacy, cyber security and national security considerations, what non-sensitive information could proponents reasonably make public to build community confidence?*

TasICT response

TasICT accepts that commercial confidentiality is legitimate in some circumstances. The objective is consistent and comparable public reporting of resource use and delivered outcomes, rather than disclosure of commercially sensitive contract terms or information that would compromise facility security.

Area	Information TasICT considers could reasonably be public
Public value	Performance against agreed commitments, including local procurement and workforce skills investment.
Employment	Operating full-time equivalents, reported separately from construction roles.
Energy supply	Generation projects relied upon, delivery timetable and firming arrangements.
Capacity	Requested, committed, contracted, operating and unused capacity, reported distinctly.
System behaviour	Summary of agreed ride-through, block-loss, reconnection and curtailability arrangements.

Area	Information TasICT considers could reasonably be public
Water	Forecast and actual water use and efficiency, consistent with the draft's forecasting requirement.
Consultation	Information provided, stakeholders engaged, and what changed as a result.
Continuity	Confirmation that relevant obligations continue to apply to tenants and through sale, transfer or restructure.

For major projects, TasICT's adopted policy provides for annual independent reporting of outcomes. Independent reporting allows commitments to be assessed as delivered outcomes rather than forecasts, and is the mechanism by which the benefit expectations in this document become verifiable.

TasICT response to Expectation 7

TasICT supports Expectation 7 and suggests that, for major projects, the final document move beyond encouraged disclosure to annual independent reporting against binding, measurable commitments.

TasICT policy positions not addressed by the draft Expectations

The following sets out those elements of TasICT's adopted policy and authorised submissions that the draft Expectations do not presently cover, or cover less strongly. They are offered as the areas where TasICT believes the final document could be strengthened.

1. Environmental Sustainability

TasICT's policy position is that AI data centres should be environmentally sustainable.

2. Measurable benefit commitments

The draft asks proponents to be transparent about the jobs a project will sustain and the proportion of value flowing to Tasmania. It does not ask for minimum commitments. TasICT's policy provides for minimum operating employment levels, local procurement targets and workforce skills investment, proportionate to the scale of the development. It is a suggested that a Community Development Fund is a suitable mechanism to demonstrate public value beyond the development itself.

3. Binding and enforceable agreements

The draft is a non-statutory statement of policy and, for most benefit outcomes, uses the language of expectation and encouragement. TasICT's policy is that electricity, water, land and planning approvals, and any associated concessions, should be provided only to developers who enter into binding agreements that deliver measurable and enforceable long-term benefits for Tasmania. This is the single most significant difference between TasICT's position and the draft.

4. Application to tenants and continuity through ownership change

The draft does not address the position where the entity operating a facility and the entity controlling the compute are different parties, or where a project changes hands. TasICT's policy is that agreements should apply to relevant tenants and remain binding if a project is sold, transferred or restructured, and that obligations should continue to apply to the entities controlling the compute.

5. Annual independent reporting

The draft encourages proponents to consider publishing non-sensitive information. TasICT's policy provides for annual independent reporting of outcomes.

6. Access to advanced computing capability

The draft refers to developing Tasmania's digital ecosystem and to building digital and AI capability across the economy, but does not address access to compute. TasICT's policy is that, where appropriate, agreements should facilitate access to advanced computing capability for researchers, students, start-ups, small and medium enterprises, and public-interest users. The Australian Government expectations address this directly.

7. Benefits negotiated prior to approvals

The OCG's role as described is coordination and facilitation, and it expressly does not replace commercial decision-makers. TasICT's policy is that the Tasmanian Government should ensure that benefits to Tasmanians are negotiated with data centre developers prior to approvals being given.

8. Government-led community education

The draft places the engagement obligation on proponents. TasICT's policy is that Government should also provide community education so that Tasmanians understand the benefits, opportunities and risks of data centres.

9. Integrated and cumulative assessment

The draft routes projects through existing pathways, component by component. TasICT's position is that the campus, generation, storage and connecting network should be assessed as one development in substance, with cumulative effects considered and a precautionary approach applied where evidence is genuinely uncertain.

10. Sustainability of the supporting energy infrastructure

The environment and planning principle attaches to the facility. TasICT's position is that the sustainability standard should also apply to the generation, storage and transmission infrastructure a project relies upon.

11. Characterisation of electrical load

The draft requires maximum and average forecasts for water but not for electricity. TasICT's position is that proponents should provide both average draw and short-term variation, because a single megawatt figure may not describe an AI workload accurately.

12. Capacity discipline

The draft does not distinguish connection requests from contracted and operating capacity. TasICT's position is that they should be separated, that held capacity should carry a cost and that unused capacity should expire.

13. Consultation timing and publication of changes

The draft's trigger is engagement before submitting a development application. TasICT's position anchors consultation to completion of the business case and the proposed design, at a stage where the community can still influence the outcome, with publication of what changed as a result.

Conclusion

TasICT supports the responsible development of data centres and AI infrastructure in Tasmania where projects demonstrate clear public value and are economically and environmentally sustainable. Tasmania has real advantages in its cool climate, renewable energy system and long experience managing major industrial electricity loads.

The draft Expectations are a sound framework and TasICT supports them. The requirement for additional renewable generation, independently verifiable commitments and full cost recovery is strong and appropriate. The Government's emerging expectations substantially reflect TasICT's core policy principles, particularly in relation to public value, additional energy supply, consumer protection, developer-funded infrastructure and transparent reporting.

TasICT's submission is that the benefit outcomes should be secured with the same rigour: contracted, measurable, enforceable, independently reported, applying to relevant tenants and continuing through sale, transfer or restructure.

Each major development should be assessed as an integrated whole, including the data centre, generation, storage and network infrastructure. Capacity should be released progressively as firm generation or firmed renewables are delivered. Consultation should occur early enough to influence design. And the benefits Tasmania secures should include technology businesses, operations, careers and capability, not infrastructure alone.

If these conditions are met, Tasmania can establish a strong standard for responsible data centre development. If they are not, the state risks hosting the infrastructure without securing the businesses, operations, careers and capability that could otherwise come with it.

Russell Kelly
Chief Executive Officer, TasICT
[redacted]

TasICT Policy Position

14 September 2026

Subject: **Responsible Development of Data Centres in Tasmania**

TasICT supports the responsible development of data centres in Tasmania where projects demonstrate clear public value and are economically and environmentally sustainable.

Responsible development requires meaningful community consultation at the project inception and a transparent business case that identifies the benefits, opportunities and risks for Tasmania.

TasICT's support is conditional on electricity, water, land and planning approvals, and any associated concessions, being provided only to developers who enter into binding agreements that deliver measurable and enforceable, long-term benefits for Tasmania. These agreements should apply to relevant tenants and remain binding if a project is sold, transferred or restructured.

TasICT supports the Australian Government's *Expectations for Data Centres and AI Infrastructure Developers* (2026).

TasICT considers the following principles to be hallmarks of responsible development:

1. Developments should strengthen Tasmania's technology industry

Projects should contribute to the growth and capability of Tasmania's technology sector through local procurement, supplier development, research partnerships and improved digital connectivity. Where appropriate, agreements should encourage upgrades to communications infrastructure and facilitate access to advanced computing capability for researchers, students, start-ups, small and medium enterprises, and public-interest users.

2. Developments should strengthen Tasmania's technology workforce and productivity

Projects should support the development of local skills and digital workforce capability through apprenticeships, study pathways, university partnerships, specialist training initiatives and other workforce development programs.

3. Developments should contribute to community digital inclusion

Wherever possible, developments should encourage the digital inclusion and capacity building of the surrounding community.

4. Public value should be measurable and enforceable

Major projects should include clear, measurable and enforceable commitments, proportionate to the scale of the development, including minimum operating employment levels, local procurement targets, workforce skills investment and annual independent reporting of outcomes.

5. Tasmanian Government role

The Tasmanian Government should ensure that benefits to Tasmanians are negotiated with data centre developers prior to approvals being given and provide community education so that Tasmanians understand the benefits, opportunities and risks of data centres.